

GRAIN, CATTLE, HOG, & MILK BFP FUTURES MARKETS

Markets Courtesy of Chicago Board and Mercantile Exchange
Closing Bids: Thursday, December 14, 2000

Corn

211 1/4	212 1/4	210 1/2	210 1/2		210 1/2	+10
219	220 1/2	218 1/4	218 1/2	218 3/4	218 1/2	+10
227	228 1/2	226 1/2	226 3/4	226 1/2	226 1/2	+10
235	236	234 1/4	234 1/4	234 1/2	234 1/4	+6
242 3/4	243 1/2	241 3/4	241 3/4		241 3/4	+12
252 1/4	253 3/4	251 3/4	251 3/4	252	251 3/4	+6
261 1/2	262	260 1/4	260 1/4	260 1/2	260 1/4	+6
270 1/2	271	270 1/2	271		271	+12
266 1/2	266 3/4	266 1/2	266 3/4		266 3/4	+10

Oats

110 1/2	110 3/4	110	110		110	Unch
117	117	116 1/4	116 1/4 a		116 1/4	+2
122 1/2	122 1/2	122 1/4	122 1/4 a		122 1/4	+2
			125 1/4 b	125 1/2 a	125 1/4	Unch
131 1/2	131 1/2	131 1/2	131 1/2		131 1/2	+4

Soybeans

510	511	503 1/2	503 3/4	504 1/2
520 1/2	520 1/2	513	513 1/2	514
525 1/2	525 1/2	519	520 1/2	520
530	531	524 3/4	525 1/2	525
530	530	524 1/2	525	524 1/2
523 1/2	524 1/2	521 1/2	520 1/2	521 1/2
			b	a
526 1/2	526 1/2	522	522 1/2	522
			530 n	
543	543	541	541	
563	563	562	561 b	562 a

Soybean Meal

Month	Open	High	Low	Closing	Settle	Change
01Jul	191.3	192.1	187.7	189.2	189.3	-4
01Aug	187.5	188.2	185.0	185.8	186.0	-3
01Sep	184.0	184.0	181.3	182.3	182.3	-2
01Jul	182.3	182.3	180.0	180.8	181.0	+2
01Aug	180.5	180.8	178.0	178.0	178.5	Unch
01Sep	179.0	179.7	178.0	178.0 b	178.2 a	+1
01Oct	177.0	177.0	174.1	174.0 b	174.1 a	-5
01Dec	176.0	176.0	175.0	175.0 b	175.5 a	Unch
Month	Open	High	Low	Closing	Settle	Change

By Ken Bailey
Penn State University
December 8, 2000

Butter Prices Weaken Temporarily

- Butter dropped \$0.30/lb on Friday
- Cheese prices weaken slightly
- Cheese continues into the CCC

Butter prices at the Chicago Mercantile Exchange took a hit this Friday dropping from \$1.8525 per pound on Monday, December 4 to \$1.500 by Friday, December 8. This should not represent a market consensus on price movement, however, since it likely reflected short-run market conditions.

USDA described the butter market this week in their weekly Dairy Market News as, "unsettled

with a weak undertone." However, USDA also noted that cream demand is very high this time of year and very little fresh butter is being made. And, "producers and handlers continue to report excellent butter demand." Data suggests that American consumers have been loading up on high fat products this year. That means very strong demand for cream, which of course is used to make butter. As a result, butter makers have been pulling frozen product out of inventory to meet short term needs. USDA reports that many butter producers are reporting that year-end inventories will be very low, the lowest in many years.

So, the jury is not yet out regarding what butter prices will do between now and the end of the year. Look for more volatility.

Cheese prices were mixed this week. Prices for 40-pound blocks at the Chicago Mercantile Exchange fell from \$1.1150 per pound on Monday to \$1.09 by Thursday, but rose to \$1.10 on Friday. Barrel cheese remained steady at \$1.09 per pound all week, but rose to \$1.0950 on Friday.

Both nonfat dry milk and cheese moved into the Commodity Credit Corporation this week under the dairy price support program. CCC net purchases totaled 9,109,810 pounds of nonfortified and 1,791,719 pounds of fortified nonfat dry milk from the West, 1,032,173 pounds of block cheese from the West and Midwest, and 887,988 pounds of barrel cheese from the West.

Lean Hogs

Daily Prices As of :- Thursday, 14 December

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
12/14/00	Dec 00	5885	5885	5865	5882	unch	3486 5044
12/14/00	Feb 01	5875	5875	5805	5845	-35	4724 28113
12/14/00	Apr 01	5835	5835	5765	5797	-45	1358 6392
12/14/00	Jun 01	6380	6380	6320	6360	-27	227 4307
12/14/00	Jul 01	6140	6140	6090	6127	-23	179 1263
12/14/00	Aug 01	5940	5940	5895	5917	-38	31 610
12/14/00	Oct 01	5110	5110	5090	5100	-37	28 1113
12/14/00	Dec 01	4840	4855	4825	4855	-5	7 1003
12/14/00	Feb 02	0	5040	5015	5040	+20	1 30

Composite Volume Open_Int
12/13/00 10041 47875

Live Cattle

Daily Prices As of :- Thursday, 14 December

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
12/14/00	Dec 00	7695	7740	7652	7670	-32	2530 11569
12/14/00	Feb 01	7745	7765	7670	7680	-70	7176 66773
12/14/00	Apr 01	7845	7847	7775	7787	-55	3009 30584
12/14/00	Jun 01	7435	7440	7387	7402	-33	1084 10826
12/14/00	Aug 01	7425	7432	7395	7407	-20	884 10007
12/14/00	Oct 01	7550	7562	7537	7547	-30	658 2678
12/14/00	Dec 01	7630	7635	7615	7630	-25	133 845

Composite Volume Open_Int
12/13/00 15474 133282

Pork Bellies

Daily Prices As of :- Thursday, 14 December

Date	Open	High	Low	Last	Chge	Prev. Volume	Prev. Open_Int
12/14/00	Feb 01	6695	6817	6605	6672	+2	567 2197
12/14/00	Mar 01	6690	6820	6620	6675	+10	52 190
12/14/00	May 01	6750	6880	6740	6750	-30	35 131
12/14/00	Jul 01	6850	7010	6800	6800	-75	1 54
12/14/00	Aug 01	6900	6930	6887	6930	+143	3 30

Composite Volume Open_Int
12/13/00 659 2602

Wheat

271 1/2	272	267 1/4	268 1/4	267 3/4	268	-22
283	283	278 1/2	279 1/2	278 1/2	279	-20
293	293	288	289 1/2	289	289 1/4	-22
299	299 1/2	298	299		299	-22
316	316	312	312 1/2		312 1/2	-30
			330 n		330	-20
			345 n		345	-20

Weekly Dairy Market Outlook

Table 1. Chicago Mercantile Exchange Prices, Weekly Averages

	8-Dec-00	1-Dec-00	24-Nov-00	17-Nov-00	10-Nov-00
Cheese:					
500 lb. barrels	1.0910	1.0710	1.0517	1.0340	1.0040
40-lb. blocks	1.1025	1.0985	1.0833	1.1020	1.0080
Nonfat dry milk:					
Extra Grade	1.0300	1.0300	1.0300	1.0300	1.0300
Grade A	1.0300	1.0300	1.0300	1.0300	1.0300
Butter:					
Grade AA	1.7175	1.8325	1.7950	1.7950	1.5805

Table 2. NASS Weekly US Average Survey Prices

	2-Dec-00	25-Nov-00	18-Nov-00	11-Nov-00	4-Nov-00
Cheese:					
500 lb. Barrels 1/	1.0378	1.0020	0.9851	0.9875	0.9874
40-lb. blocks	1.0516	1.0432	1.0081	1.0222	1.044
Butter	1.7542	1.7217	1.5498	1.2958	1.1431
Nonfat dry milk	1.0147	1.0161	1.0159	1.0178	1.0136
Dry whey	0.1977	0.1990	0.1939	0.1898	0.188